INCOMING TELEGRAM

Department of State

CONFIDENTIAL 52-M Action EUA172REE252 EUR 1963 OCT 22. PND 51 54 PP RUEHC DE RUFDBG 3420 22/2001Z/ P 221924Z ZEA... Info (FM AMENXASSY BONN) TO SECSTATE WASHDC SS G CONFIDENTIAL PRIORITY (1476) OCT 22, 8 PM SP. SAL LIMIT DISTRIBUTION BTF I MET WITH CHANCELLOR ERHARD TODAY FOR THE FIRST TIME SINCE HE PR ASSUMED OFFICE. THE DISCUSSION CENTERED AROUND HIS VISIT TO THE NSC US, WHICH HE HAS APPEARED RELUCTANT TO FINALIZE UNTIL HE ACTUALLY BECAME CHANCELLOR. NEITHER HE NOR I WAS AWARE AT THE TIME OF THE PREMATURE LEAK OF HIS PLANS, WHICH HAS BEEN THE SUBJECT OF INR CIA SUBSEQUENT TELEPHONE CALLS BETWEEN THE DEPT AND THE EMBASSY. RMR

THE CHANCELLOR SAID THAT HE INTENDED TO GO TO PARIS TO VISIT DE GAULLE ON NOVEMBER 21-22, AND THAT HE WOULD BE DELIGHTED TO

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PAGE 2 RUFDEG 3420 C O N F I D E N T I ACCEPT THE PRESIDENT'S INVITATION TO COME TO WASHINGTON NOVEMBER 25 TO 27. HIS TENTATIVE PLAN IS TO PROCEED FROM WASHINGTON TO NEW YORK ON THE 28TH AND TO RETURN TO GERMANY THAT EVENING.

THE CHANCELLOR ADVISED THAT HE HAD NOT YET DECIDED ON THE COMPOSITION OF HIS PARTY (HE DID NOT SAY WHETHER OR NOT MRS. ERHARD WOULD ACCOMPANY HIM), ALTHOUGH IN MY SUBSEQUENT CONVERSATION WITH FORMIN SCHRÖEDER IT WAS CLEAR THAT HE EXPECTED TO GO. THE CHANCELLOR WILL FLY DIRECTLY TO WASHINGTON BY SPECIAL LUFTHANSA PLANE, THEN TO NEW YORK AND THENCE DIRECTLY BACK TO GERMANY.

IN DISCUSSING WITH THE CHANCELLOR HIS PREFERENCES ES TO THE PROGRAM THAT MIGHT BE ARRANGED FOR HIM HE MENTIONED, IN ADDITION TO THE PRESIDENT AND THE SECRETARY, THAT HE WOULD PARTICULARLY LIKE TO SEE UNDER SECRETARY BALL, SECRETARY MCNAMARA, AND GOVERNOR HERTER. OTHERS MENTIONED WERE SECRETARY DILLON AND WOODS, PRESIDENT WORLD BANK. HE REACTED FAVORABLY TO THE IDEA OF A NATIONAL PRESS CLUB LUNCHEON AND A LUNCHEON BY SNATOR RULBRIGHT WITH THE FOREIGN RELATIONS COMMITTEE, ON THE ASSUMPTION THAT THESE COULD BE ARRANGD.

SCHROEDER, IN SEPARATE MEETING LATER, WAS SOMEWHAT SKEPTICAL ABOUT THE PRESS CLUB LUNCH BECAUSE OF POSSIBILITY THAT QUESTIONS

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-2- 1476, October 22, 8 PM from Bonn.

PAGE 3 RUFDEG 3420 C O N F I D E N T I A L
MIGHT BE ASKED THAT WOULD BE EMBARRASSING TO CHANCELLOR AT
BEGINNING OF HIS REGIME. HOWEVER HE INDICATED THAT WHATEVER THE
CHANCELLOR DECIDED WOULD BE AGREEABLE.

WITH RESPECT TO THE NEW YORK PART OF HIS VISIT, ERHARD INDICATED THAT HE WOULD BE GLAD TO ADDRESS A SUITABLE DINNER AUDIENCE THE EVENING OF THE 28TH. HIS PREFERENCE WAS THAT MR. MCCLOY, IF WILLING, BE ASKED TO ASSUME RESPONSIBILITY FOR ARRANGING THE EVENING, POSSIBLY UNDER THE SPONSORSHIP OF COUNCIL OF FOREIGN RELATIONS, WHICH HE HAS ADDRESSED BEFORE AND VIEWS FAVORABLY, OR A SUITABLE GROUP OF BANKERS OR BUSINESSMEN, OR A COMBINATION OF BOTH. THERE WERE A NUMBER OF PEOPLE HE WISHED TO SEE IN NEW YORK.

AS FOR SUBJECTS TO BE DISCUSSED WITH THE PRESIDENT AND OTHER OFFICIALS, THE CHANCELLOR PUT NUMBER ONE THE POSSIBILITY OF ECONOMIC ASSISTANCE TO RUSSIA, QUESTION WHICH HE HAS CAUTIOUSLY MENTIONED TO ME BEFORE (SEE EMBTELS 1215 AND 993) AND WHICH WAS ONLY LAST EVENING FURTHER ELABORATED ON BY STATE SEC WESTRICK; ALSO, EAST-WEST TRADE; EAST-WEST AGREEMENTS; THE KENNEDY ROUND; AND BALANCE OF PAYMENTS; MONETARY AND FINANCIAL PROBLEMS. HE THOUGHT THAT PROBABLY BERLIN AND REUNIFICATION SHOULD ALSO BE INCLUDED, ALTHOUGH HE DID NOT APPEAR TO PLACE GREAT EMPHASIS ON THIS.

PAGE 4 RUFDBG 420 C O N F I D E N T I A L IT WAS AGREED THAT THERE WOULD BE NO ANNOUNCEMENT OF THE VISIT FOR THE TIME BEING (THIS HAS BEEN OVERTAKEN BY THE LEAK).

COMMENT: IT WOULD BE APPRECIATED IF THE DEPT WOULD ADVISE SOONEST FINAL ACCEPTANCE OF DATES OF VISIT, AND REACTIONS TO TENTATIVE SUGGESTIONS GIVEN AS TO PROGRAM. I WOULD ALSO APPRECIATE ANY DETAILS THAT SHOULD BE CONVEYED TO THE CHANCELLOR WITH RESPECT TO THE ARRANGEMENTS THAT WE WILL MAKE ON OUR SIDE FOR HIS VISIT. SHOULD WE RAISE THE QUESTION OF MRS. ERHARD ACCOMPANYING HIM? WITH THIS INFORMATION IN HAND I CAN PROCEED WITH REACHING AGREEMENT ON THE PRECISE PROGRAM.

GP-4.

MCGHEE

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